



The Pacesetter

Welcome to the
CHRA
North Central Region
Newsletter



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Setting the pace through innovation, quality products, and customer-focused relationships.

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Director's Perspective *Nancy A. Lane*

Spring: A time of change

The winds of change are here. Effective 30, April, as part of Spiral 1.1, 3,000 Department of Army (DA) employees, assigned to the Civilian Human Resources Agency (CHRA) were converted into the National Security Personnel System (NSPS). I believe that this has afforded an excellent opportunity for us, the human resources community, to be the first group of DA employees to experience this major change. This will allow us to become proficient at advising our managers on the implementation of the new system.

NSPS is the Department of Defense's transformation to a results-focused and performance-based culture. As leaders in business, we know that many factors go into creating high-performance organizations: clear vision, supportive environment, and sufficient funding, just to name a few. But without question, the most critical factor is the human one. Recruitment and retention of high-performing employees presents a challenge for every business, including our own. Managers must have the tools necessary to build an exceptional workforce to aide our Soldiers. NSPS will help our organizations to attract and retain the talent needed to carry out our nation's security mission.

CHRA employees have received extensive training in preparation for NSPS. The training was presented in both classroom sessions and online courses. These courses covered basic system information and soft-skills with emphasis on performance management. Senior leadership responsible for rating employees received additional training on performance objectives, evaluation and feedback to employees.

Participants in the next Spirals are currently being determined by Headquarters DA. During this waiting period, every employee should become familiar with the fundamental principles of the new system. Department of Defense has created a web-based presentation on NSPS. It is called NSPS 101 and provides an overview of the new system. Additional information can be found on page 2 of our newsletter.

As we move forward with implementation, please bear in mind that we are here to assist.

Thank you for your continued support.

National Security Personnel System (NSPS) Update



Effective April 30, 2006, approximately 11,000 Department of Defense (DoD) non-bargaining unit employees were converted to the National Security Personnel System (NSPS) under Spiral 1.1. Of the 11,000 employees, 3,000 are Department of Army (DA) Civilian Human Resource Agency (CHRA) employees. Spiral 1.1 organizations will fall under the NSPS provisions of staffing and workforce shaping, compensation and classification, and performance management. The labor-relations, adverse actions and appeals process were barred by the US District Court for the District of Columbia in February. On April 17, Department of Justice filed an appeal to the courts decision.

A large number of employees entering the new personnel system will receive a pay increase at time of conversion. This one-time buy-in is based on the length of time accumulated toward the employees' next within-grade increase, and will be added to their base salary when

they enter the system. Employees must have acceptable performance ratings and be in step 9 or lower of their current grade to receive the extra money. The most important point to remember is that no employee will lose pay in the initial conversion to the system.

The new system will change some fundamental business practices. Raises and bonuses will be based on performance. Starting salaries will be based on market conditions; and job objectives will have a line of sight to organizational objectives.

Employee performance objectives emphasize employee contributions to the accomplishments of the Department's national security mission. They are results-oriented and mission focused. Performance pay is now a direct link between pay, performance and mission accomplishment. The payout methodology, exercised after ratings are complete, will be based on a range of shares tied to the

performance rating.

DoD is continuing to review options for deployment of Spirals 1.2 and 1.3 which is planned for later this year and early next year. Participants in each of these spirals are still being identified.

With the conversion of the Army CHRA community in Spiral 1.1, your local Civilian Personnel Advisory Center will serve as a benchmark, resource and partner for future NSPS Spiral participants and their implementation process.

For NSPS updates log onto: <http://cpol.army.mil/library/general/nsps/>

For additional information regarding the NSPS conversion and provisions contact your servicing Civilian Personnel Advisory Center.

National Security Personnel System Training NSPS 101



NSPS 101, a web-based training course that provides an overview of the Human Resources (HR) System is now available. This course covers topics that include conversion to NSPS, classification, compensation, performance management,

staffing flexibilities, and workforce shaping.

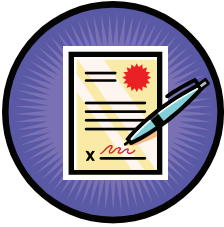
It is a web-based course designed to address questions such as "What happens to me when my position is converted to NSPS?" to "How does the pay-for-performance system work?"

The course also includes a conversion calculator tool that identifies an employee's career group, pay schedule, pay band and estimated pro-rated within-grade increase (WGI) buy-in information (base salary only). The calculator is intended to help employees understand the NSPS process, but it's not intended to be taken as official conversion information.

The NSPS 101 course takes approximately 1-1 ½ hours to complete, but it doesn't have to be completed in "one sitting". It serves as a foundation for the instructor-led training that will be offered prior to conversion.

To take NSPS 101 [click here](#)

Extension of Transition Assistance Authorities for Employees Affected by Base Realignment and Closure (BRAC)



Realignment and Closure (BRAC). Here are the three authorities below:

FEDERAL EMPLOYEES HEALTH BENEFITS (FEHB) SUBSIDIZED TEMPORARY CONTINUATION OF COVERAGE. The legal authority in 5 U.S.C. 8905a(d) (4) has been extended from October 1, 2006 to October 1, 2010 or to February 1, 2011, if specific RIF notice was issued before October 1, 2010. This authority allows DoD employees who are involuntarily separated, or voluntarily separated from a surplus position due to RIF, to pay only the employees share of the FEHB premium during the 18-month period immediately following separation. The employee's former agency continues to pay the Government's share of the premium, plus the two-percent administrative fee.

The National Defense Authorization Act for FY 2006 (Public Law 109-163), signed January 6, 2006, extends three DoD transition assistance authorities that benefit employees affected by workforce reductions and restructuring, including actions related to Base

LUMP-SUM PAYMENT OF SEVERANCE PAY. The legal authority in 5 U.S.C. 5595(i) has been extended from October 1, 2006 to October 1, 2010. This continues the Department's authority to provide a lump-sum option for employees eligible for severance pay.

VOLUNTARY REDUCTION IN FORCE. The legal authority in 5 U.S.C. 3502(f) has been extended from September 30, 2005 to September 30, 2010. Under this authority, employees may volunteer for separation in RIF even if they are not otherwise subject to RIF separation. The use of this provision allows DoD installations to minimize the impact of downsizing by encouraging employees to volunteer for RIF separation, rather than separating other employees scheduled to be involuntarily separated by RIF procedures.

Additional information on these and other transition assistance tools are available on our BRAC transition website at:

<http://www.cpms.osd.mil/bractransition/>

Reprinted (or excerpted) from CPMS newsletter, CPMS Express.

Veterans' Preference Rules Changed

The Office of Personnel Management (OPM) Director Ms. Linda M. Springer recently announced the Defense Authorization Act for FY 2006, recently signed into law by President Bush, contains two provisions which broaden the definition of a "veteran" for purposes of preference eligibility and clarifies eligibility for those released or discharged from active duty.

The first provision affords preference for those who served on active duty during the period beginning on September 11, 2001 and ending at the close of Operation Iraqi Freedom provided they meet other conditions. This provision broadens the number of individuals who may be entitled to veterans;

preference.

The second provision, clarifies veterans' preference eligibility for federal hiring as available to individuals "who are discharged or released from active duty" provided these individuals meet other applicable veterans' preference eligibility requirements. This new language replaces the previous statement of "individuals separated from the armed forces." The revised section is consistent with OPM's long-standing policy pertaining to the application of veterans' preference for individuals released from active duty military service.

OPM is revising its regulations and web-based guidance to reflect this change of status.

Vet Guide at:

<http://www.opm.gov/employ/veterans/html/vetguide.asp>

Delegated Examining Operations Handbook at:

http://www.opm.gov/deu/Handbook_2003/



How Priority Placement Program (PPP) Can Help Employees

A continuation of the series of articles regarding the DoD Priority Placement Program (PPP). This issue covers some specific questions and answers which provide additional detailed information on pertinent aspects of the DoD Priority Placement Programs.

How will DoD Assist Employees in Finding Another DoD Job?

The Priority Placement Programs provide the primary method by which employees will be afforded maximum opportunity for placement assistance in other DoD positions and locations. The PPP has been called the most effective outplacement program in the Federal service. It is an extremely effective placement assistance system established and maintained to minimize the adverse effects on employees due to such actions as drawdown, base closures, consolidations, contracting out and classification decisions. Since its inception in 1965, this highly acclaimed placement system has received the personal support and sanction of every Secretary of Defense.

How Does the DoD PPP Work?

Employees affected by Reduction In Force (RIF), and those who decline to accompany their function, either by transfer or management reassignment to another commuting area, are registered in a computerized system that is operated in Dayton, Ohio, by the Priority Placement Support Branch. As vacancies occur, supporting civilian personnel office use a computer system to tell the Center in Dayton to

immediately refer the resumes of employees who match the title, series, and grade of their vacant position and who have indicated availability for placement at their DoD location. This referral and matching process can take as little as 24 hours from the time an employee is registered in the PPP.

How are Employees Referred for Placement Under the PPP?

Employees are referred using a numeric priority (1 through 3). The priority assigned is based on the severity of the employee's proposed personnel action. For example, an employee facing RIF-separation with no offer of continued employment is assigned a Priority 1, while an employee with a RIF offer of a change to lower grade one grade below their current grade held, is assigned Priority 3. Priority 1 employees must be considered for placement before priority 2 and 3 employees. Additionally, the priority assigned determines which recruitment actions are "stopped" when a match occurs.

What Happens When Resumes Are Received at a DoD Civilian Personnel Office?

When the resumes reflect priorities 1 or 2, all recruiting action STOPS and the job is offered to the highest priority registrant determined to be well qualified. Priority 3 resumes permit the selection of current employee of the Component, e.g., Army, Navy or Air Force, but STOPS new appointments, including reinstatement, and transfers from outside the Component.

Is the Offer Mandatory or Does the Manager have a Choice?

Any offer made in accordance with PPP is mandatory, and this mandate is rigidly enforced. Again, the registrant must be well qualified for the job including meeting any reasonable, special qualifications.

What are the Statistics on the Success of These Mandatory Placements?

In the past few years, DoD has conducted five follow-up surveys on a fairly extensive basis. Managers have indicated that more than 90 percent of all PPP placements resulted in their receiving an employee that was equal to or better than candidates selected through the merit placement process.

With So Many Installations in Tight Budgetary Situations and/or Having to Reduce the Civilian Workforce, Is it Realistic for an Employee at a Base to be Closed to Expect a Job Offer Through the DoD PPP?

DoD has taken measures to lessen the impact of DoD downsizing on employees who either are losing their job or being displaced. Some of the measures include offering retirement and resignation incentives to create vacancies, offering outplacement subsidies to non-DoD agencies to hire surplus DoD employees, and increasing the minimum RIF notice period, thus giving employees more time to be placed prior to separation. For detailed information regarding PPP contact your Civilian Personnel Advisory Center (CPAC).

Recruitment, Relocation, and Retention Incentives



Recruitment Incentive

A recruitment incentive is an incentive that an agency may pay to a newly-appointed employee if the agency has determined that the position is likely to be difficult to fill in the absence of such incentive. In return, the employee must sign an agreement to fulfill a period of service with the agency of not less than 6 months and not more than 4 years. (See 5 CFR 575, subpart A; and [Recruitment Incentive fact sheet](#).)

Relocation Incentive

An agency may pay a relocation incentive to a current employee who must relocate to accept a position in a different geographic area if the agency determines that the position is likely to be difficult to fill in the absence of an incentive. A relocation incentive may be paid only when the employee's rating of record under an official performance appraisal or evaluation system is at least "Fully Successful" or equivalent. (See 5 CFR 575, subpart B; and [Relocation Incentive fact sheet](#).)

Retention Incentive

An agency may pay a retention incentive to a current employee if the agency determines that the unusually high or unique qualifications of the employee or a special need of the agency for the employee's services makes it essential to retain the employee and that the employee would be likely to leave the Federal service in the absence of a retention incentive. A retention incentive may be paid only when the employee's rating of record under an official performance appraisal or evaluation system is at least "Fully Successful" or equivalent. (See 5 CFR 575.301; and [Retention Incentive fact sheet](#).)

Covered Positions

Agencies may pay a recruitment, relocation or retention incentive to an eligible individual who is appointed to a General Schedule (GS) or equivalent, senior-level (SL), scientific or professional (ST), Senior Executive Service (SES), Executive Schedule (EX), law enforcement officer (LEO), prevailing rate position (wage), and positions in a category for which pay-

ment of recruitment, relocation or retention incentives has been approved by the Office of Personnel Management (OPM) at the request of the head of an Executive Agency. (See 5 CFR 575.103 and 575.203.)

Excluded Positions

Recruitment, relocation or retention incentives may not be paid to Presidential appointees; non-career appointees in the Senior Executive Service; those in positions excepted from the competitive service by reason or their confidential, policy-making, or policy-advocating natures; agency heads; or those expected to receive an appointment as an agency head. (See 5 CFR 575.104 and 575.204.)

Log on to OPM website for answers to frequently asked questions: [Recruitment, Relocation, and Retention Incentives Questions and Answers](#)

For further assistance contact your Civilian Personnel Advisory Center (CPAC).

Our Soldiers



Foreign Entitlements

As a key contributor to the overseas theater and Global War on Terrorism (GWOT), we continue to have a large number of employees deployed. The following information is a review, but may be helpful in ensuring that employee allowances are claimed and paid in a timely manner.

Involuntary Separate Maintenance Allowance (SMA)

Involuntary SMA is intended to assist in offsetting additional expenses incurred by an employee who is compelled by reason of dangerous, notably unhealthful, or excessively adverse living conditions at the foreign post, or for the convenience of the Government, to meet the additional expense of maintaining family members elsewhere. Effective May 1, 2005 rates are higher for Involuntary SMA than for Voluntary SMA (employee requested due to special needs such as health, educational, etc.).

This regulatory change is now being implemented, with adjustments made to the SMA rates for employees who received SMA since the 1 May effective date. Because automatic payment determination ability has not yet been incorporated in the payroll system, payroll must complete a manual review and determination. We have not yet been advised when payment adjustments can be anticipated.

The involuntary nature of the separation is determined by a review of the Travel order, SF 1190, and other supporting documentation.

Separate Maintenance Allowance Family Members

It's important to remember these facts regarding the family members and specifically address them on the SF 1190:

1) To be considered a family member for SMA; brothers, sisters, and parents member must have resided with the employee for at least one year immediately prior to the date of separation.

2) Children, including sisters and brothers, meet the family member criteria if they are unmarried, attending secondary school (grades 9 - 12 or equivalent) and are under the age of 21 for involuntary SMA (18 for voluntary SMA) or incapable of self-support. College enrollment does not extend eligibility.

Submission of the SF 1190

The timely submission of the SF 1190 and supporting documentation is critical to the pay process. When these documents are not received in a timely manner,

changes impacting pay allowances are not updated in payroll. Often, this results in an employee's debt. The best way to avoid debt and ensure pay is accurate is to submit an accurate and legible SF 1190 package as quickly as possible.

R and R

Is the employee deployed to a location where Post Hardship Differential is authorized? If so, and leave is taken, it is important to annotate the SF 1190 or Foreign Location Record (FLR) appropriately. Be sure to show that the absence from country is for R and R.

If deployed to Iraq or Afghanistan, leave may be taken for up to 30 days without any impact to Post Hardship Differential; it will simply continue. If leave extends beyond 30 days, the Differential will terminate on the 31st day. For other countries, the limit is 14 days. In either case, once the requirements for Post Differential are met, it will continue upon return to post.

Danger Pay and Post Differential

Post Differential compensates employees for service in places where living conditions pose a hardship, e.g. climate, physical/social isolation, medical facilities, crime, or existence/potential for political violence to name a few. The Post Differential rate is determined based on the number and level of such factors. Danger pay, on the other hand, compensates employees serving where there is an **extreme** level or risk of political violence. Employees may receive both Danger Pay and Post Differential.

Allowance and Post Differential Reclassifications

The Post (Hardship) Differential and Danger Pay caps have been raised from 25 percent to 35 percent of basic salary effective 5 March. This change in the cap has caused some sites to have a higher rate while others have a **reduction** of these payments. Payment will

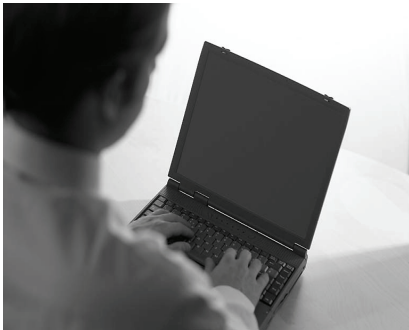


be retroactive and should be reflected in pay received 26 March. The new ceilings for Post Hardship Differential and Danger Pay can be viewed on the DSSR Website under the Table of Allowances link:

<http://www.state.gov/m/a/als/920/>

For assistance, contact your local Civilian Personnel Advisory Center (CPAC).

"Lookup" Feature in FASCLASS



Have you ever found yourself with the need to quickly retrieve certain types of position or organization data? Your initial instincts draw a blank, and you are not sure where the best place is to turn. Well, you may be overlooking one of the

most valuable resources available, and it is right at your fingertips.

The Fully Automated System for Classification (FASCLASS) contains many reliable sources of information. Once you access "FASCLASS" you will notice three links in the upper left toolbar. Those links are: "FASCLASS", "PD Library", and "Lookup".

With one click on the "Lookup" link, you will have a vast variety of information available to you. If you click on "Pos Sens", you will retrieve a list of position sensitivity codes. These codes identify the various levels of risk to be associated with a position. You can also retrieve a complete list of the "Career Programs" assigned to specific occupations. Another search available is the "Citations" link. This will provide you with a valid list of resources utilized when assigning each position the appropriate title, series, and grade.

To review the detailed information about each feature available within "Lookup", click on the "Help" link in the upper right corner of the FASCLASS toolbar. After you click this, you will receive a list of topics, select the "View User Manual" and review the section on "Lookup". You may be surprised to learn just what you have been missing.

Thrift Savings Plan (TSP) & Taxes

Looking for ways to save on taxes? TSP might be one solution. It's important to remember:

TSP is tax-deferred:

When you prepare your tax return, remember that your taxable wages reported on your W-2 form will be different from your annual salary. Your contributions to the TSP are tax-deferred and are not considered part of your income for Federal income tax purposes. Paying less tax on your current income is just one of the benefits of the TSP.

No more percentage of pay limits:

There is no longer a limit on the percentage of pay you can contribute to the TSP. However, your contributions may not exceed the Internal Revenue Service (IRS) elective deferral limit of \$15,000 for 2006. If you are - or will become - age 50 or older during 2006 and will contribute the IRS limit, you can make additional catch-up contributions of up to \$5,000 this year.

Tax credit:

If you participated in the TSP during the tax year, you may be eligible for the Retirement Savings Contributions Credit. For information, consult your tax advisor or refer to IRS Form 8880.

For more information concerning TSP, visit the website: www.tsp.gov



Fort Sam Houston

Fort Belvoir

Walter Reed

Rock Island Arsenal

Fort Myer

Detroit Arsenal

Fort Buchanan

HECSA/COE

Los Angeles

Fort Meade